

Webb County, Texas
Combining Statement of Net Assets
Internal Service Funds
September 30, 2006

	<u>Employees Health</u> <u>Benefits</u>	<u>Workers</u> <u>Compensation</u> <u>Reserve</u>	<u>Total</u>
ASSETS			
Current assets:			
Cash and investments	\$ 1,304,316	\$ 4,367,038	\$ 5,671,354
Due from other funds	134,646	168,368	303,014
Total current assets	<u>1,438,962</u>	<u>4,535,406</u>	<u>5,974,368</u>
Non-current assets:			
Capital Assets:			
Equipment and Furniture	60,128	23,940	84,068
Less Accumulated depreciation	(55,361)	(23,940)	(79,301)
Total non-current assets	<u>4,767</u>	<u>-</u>	<u>4,767</u>
Total assets	<u><u>1,443,729</u></u>	<u><u>4,535,406</u></u>	<u><u>5,979,135</u></u>
LIABILITIES			
Current Liabilities:			
Accounts payable	555,891	52,894	608,785
Due to other funds	168,368	2,430,916	2,599,284
Other Accrued expenses	99,011	36,671	135,682
Compensated absences	-	22,812	22,812
Claims and judgments	615,692	511,935	1,127,627
Total current liabilities	<u>1,438,962</u>	<u>3,055,228</u>	<u>4,494,190</u>
Non-current liabilities:			
Claims and judgments	-	313,949	313,949
Total non-current liabilities	<u>-</u>	<u>313,949</u>	<u>313,949</u>
Total liabilities	<u><u>1,438,962</u></u>	<u><u>3,369,177</u></u>	<u><u>4,808,139</u></u>
NET ASSETS			
Invested in capital assets, net of related debt	4,767	-	4,767
Unrestricted	-	1,166,227	1,166,227
Total net assets	<u><u>\$ 4,767</u></u>	<u><u>\$ 1,166,227</u></u>	<u><u>\$ 1,170,994</u></u>

Webb County, Texas
Combining Statement of Revenues, Expenses and Changes in Fund Net Assets
Internal Service Funds
For the Year Ended September 30, 2006

	<u>Employees Health</u> <u>Benefits</u>	<u>Workers</u> <u>Compensation</u> <u>Reserve</u>	<u>Total</u>
REVENUES			
Charges for services	\$ 7,169,331	\$ 2,189,754	\$ 9,359,085
Total operating revenues	<u>7,169,331</u>	<u>2,189,754</u>	<u>9,359,085</u>
OPERATING EXPENSES			
Contractual services	-	53,169	53,169
Other supplies and expenses	-	2,401	2,401
Insurance claims and expenses	7,256,843	940,730	8,197,573
Depreciation	5,938	-	5,938
Total operating expenses	<u>7,262,781</u>	<u>996,300</u>	<u>8,259,081</u>
Operating income (loss)	<u>(93,450)</u>	<u>1,193,454</u>	<u>1,100,004</u>
NON-OPERATING REVENUES (EXPENSES)			
Interest and investment revenue	74,872	135,413	210,285
Total non-operating revenue (expenses)	<u>74,872</u>	<u>135,413</u>	<u>210,285</u>
Income (loss) before contributions and transfers	(18,578)	1,328,867	1,310,289
Capital contributions	-	-	-
Transfers in	12,640	-	12,640
Transfers out	-	(362,640)	(362,640)
Change in net assets	<u>(5,938)</u>	<u>966,227</u>	<u>960,289</u>
Total net assets - beginning	10,705	200,000	210,705
Total net assets - ending	<u>\$ 4,767</u>	<u>\$ 1,166,227</u>	<u>\$ 1,170,994</u>

Webb County, Texas
Webb County Employees' Health Benefits
Schedule of Revenues and Expenses - Budget and Actual - (Budget Basis)
and Changes in Net Assets
Year Ended September 30, 2006 with Comparative Figures
for Year Ended September 30, 2005

	Budgeted Amounts		Actual	Actual	Variance with	Total
	Original	Final	Amounts	Budget	Final Budget-- Positive (Negative)	Prior Year As Of 9/30/05
OPERATING REVENUES:						
Charges For Services	\$ 5,933,980	5,933,980	5,863,970	5,863,970	(70,010)	4,813,488
Charges For Services-Employees	1,356,940	1,356,940	1,305,361	1,305,361	(51,579)	1,416,705
Total Operating Revenues	<u>\$ 7,290,920</u>	<u>7,290,920</u>	<u>7,169,331</u>	<u>7,169,331</u>	<u>(121,589)</u>	<u>6,230,193</u>
OPERATING EXPENSES:						
Current:						
Office Supplies	\$					
Blue Cross/Blue Shield Ad	1,088,346	1,088,346	1,042,803	1,042,803	45,543	959,523
Cafeteria Plan Sec 125 Ad	20,000	20,000	17,971	17,971	2,029	16,958
Cobra Administration Fees	2,500	2,500	900	900	1,600	900
Basic Life Insurance	62,000	62,000	59,115	59,115	2,885	56,956
Depreciation Expense			5,938	5,938	(5,938)	8,069
Health Education Program	5,000	3,000	1,265	1,265	1,735	4,190
Health Fair Month	8,000	10,000	9,799	9,799	201	5,757
Claims Paid	5,588,792	5,588,792	4,925,200	4,925,200	663,592	5,435,944
Claims Paid-Dental	463,069	463,069	398,761	398,761	64,308	358,001
Claims Paid-Prescriptions	943,450	943,450	801,029	801,029	142,421	709,907
Total Operating Expenses	<u>\$ 8,181,157</u>	<u>8,181,157</u>	<u>7,262,781</u>	<u>7,262,781</u>	<u>918,376</u>	<u>7,556,205</u>
Operating Income (Loss)	<u>(890,237)</u>	<u>(890,237)</u>	<u>(93,450)</u>	<u>(93,450)</u>	<u>796,787</u>	<u>(1,326,012)</u>
NON-OPERATING REVENUES						
Interest	\$		74,872	74,872	74,872	10,091
Total Non-Operating Revenues	<u>\$</u>	<u></u>	<u>74,872</u>	<u>74,872</u>	<u>74,872</u>	<u>10,091</u>
OPERATING INCOME BEFORE TRANSFERS	<u>\$ (890,237)</u>	<u>(890,237)</u>	<u>(18,578)</u>	<u>(18,578)</u>	<u>871,659</u>	<u>(1,315,921)</u>
Transfers In			12,640	12,640	12,640	2,351,114
Change in net assets	<u>\$ (890,237)</u>	<u>(890,237)</u>	<u>(5,938)</u>	<u>(5,938)</u>	<u>884,299</u>	<u>1,035,193</u>
Add Depreciation on fixed assets acquired through capital projects grants that reduces contributed capital.						
Income(Loss)	<u>\$ (890,237)</u>	<u>(890,237)</u>	<u>(5,938)</u>	<u>(5,938)</u>	<u>884,299</u>	<u>1,035,193</u>
Total net assets - beginning			10,705			(1,024,488)
Total net assets - ending			<u>\$ 4,767</u>			<u>10,705</u>

Webb County, Texas
Webb County Worker's Compensation Reserve Fund
Schedule of Revenues and Expenses - Budget and Actual - (Budget Basis)
and Changes in Net Assets
Year Ended September 30, 2006 with Comparative Figures
for Year Ended September 30, 2005

	Budgeted Amounts		Actual	Actual	Variance with	Total
	Original	Final	Amounts	Budget	Final Budget-- Positive (Negative)	Prior Year As Of 9/30/05
OPERATING REVENUES:						
Charges For Services And Refunds	\$ 1,968,849	1,968,849	2,189,754	2,189,754	220,905	1,994,468
Total Operating Revenues	\$ 1,968,849	1,968,849	2,189,754	2,189,754	220,905	1,994,468
OPERATING EXPENSES:						
Current:						
Wages And Fringe Benefits	\$					
Professional Services	50,000	41,984	41,983	41,983	1	28,934
Professional Services Drug/Alcohol Test	35,000	11,186	11,186	11,186		14,361
Bonds And Insurance	10,000	2,401	2,401	2,401		9,118
Worker's Compensation Premium	95,000	86,985	86,985	86,985		84,077
Third Party Administration	57,800	48,706	48,706	48,706		33,698
Safety Education Program						
Claims Paid Major Medical	700,000	743,898	805,039	805,039	(61,141)	263,472
Total Operating Expenses	\$ 947,800	935,160	996,300	996,300	(61,140)	433,660
Operating Income (Loss)	\$ 1,021,049	1,033,689	1,193,454	1,193,454	159,765	1,560,808
NON-OPERATING REVENUES						
Interest	\$ 20,000	20,000	135,413	135,413	115,413	79,254
Total Non-Operating Revenues	\$ 20,000	20,000	135,413	135,413	115,413	79,254
OPERATING INCOME BEFORE TRANSFERS	\$ 1,041,049	1,053,689	1,328,867	1,328,867	275,178	1,640,062
Transfers Out to:						
General Fund	(200,000)	(200,000)	(200,000)	(200,000)		(790,000)
Employee Retiree Insurance Trust Fund	(150,000)	(150,000)	(150,000)	(150,000)		(150,000)
Employee's Health Benefit Fund		(12,640)	(12,640)	(12,640)		(2,128,725)
Total Transfers	(350,000)	(362,640)	(362,640)	(362,640)		(3,068,725)
Change in net assets	\$ 691,049	691,049	966,227	966,227	275,178	(1,428,663)
Add Depreciation on fixed assets acquired through capital projects grants that reduces contributed capital.						
Income(Loss)	\$ 691,049	691,049	966,227	966,227	275,178	(1,428,663)
Total net assets - beginning			200,000			1,628,663
Total net assets - ending			\$ 1,166,227			200,000

Webb County, Texas
Internal Service Funds
Combining Statement of Cash Flows
Year Ended September 30, 2006

	Webb County Employees Health Benefits	Webb County Worker's Compensation Reserve Fund	Total 2006
CASH FLOWS FROM OPERATING ACTIVITIES			
Premiums from participants	\$ 7,169,332	\$ 2,189,756	\$ 9,359,088
Payments to vendors, suppliers, and insurance administrators	<u>(7,407,565)</u>	<u>(800,294)</u>	<u>(8,207,859)</u>
Net cash provided by operating activities	<u>(238,233)</u>	<u>1,389,462</u>	<u>1,151,229</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES			
Interfund Transfer			
Transfers In	12,640		12,640
Transfers Out		<u>(362,640)</u>	<u>(362,640)</u>
Net cash provided by non capital financing activities	<u>12,640</u>	<u>(362,640)</u>	<u>(350,000)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchase of assets			
Net cash provided by capital financing activities			
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment earnings	<u>74,872</u>	<u>135,413</u>	<u>210,285</u>
Net cash provided by investing activities	<u>74,872</u>	<u>135,413</u>	<u>210,285</u>
Net Increase/(Decrease) in Cash and Cash Equivalents	<u>(150,721)</u>	<u>1,162,235</u>	<u>1,011,514</u>
Cash and pooled investments, beginning of year	<u>1,455,037</u>	<u>3,204,803</u>	<u>4,659,840</u>
Cash and pooled investments, end of year	\$ <u><u>1,304,316</u></u>	\$ <u><u>4,367,038</u></u>	\$ <u><u>5,671,354</u></u>
Reconciliation of operating income to net cash provided (used) by operations:			
Operating income	\$ (93,450)	\$ 1,193,454	\$ 1,100,004
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation expense	5,938		5,938
(Increase) Decrease in Due from Other Funds	2,262,818	(168,366)	2,094,452
Increase (Decrease) in Accounts Payable	99,117	(43,026)	56,091
Increase (Decrease) in Accrued Liabilities	(347,916)		(347,916)
Increase (Decrease) in Other Payable		29,121	29,121
Increase (Decrease) in Due to Other Funds		234,067	234,067
Increase (Decrease) in Funds Held In Trust	(2,164,740)		(2,164,740)
Increase (Decrease) in Short-Term Risk Liability		511,935	
Increase (Decrease) in Long-Term Risk Liability		(367,723)	(367,723)
Increase (Decrease) in Accrued Compensated Absences			
Total adjustments	<u>(144,783)</u>	<u>196,008</u>	<u>51,225</u>
Net cash provided by operating activities	\$ <u><u>(238,233)</u></u>	\$ <u><u>1,389,462</u></u>	\$ <u><u>1,151,229</u></u>